



requiring special accommodations, as well as, students who move temporarily into the district's boundaries, including a large number of students that are the children of migrant workers that move from Mexico, into Texas and on to other states; recruiting and hiring teachers and other professionals from outside Texas; district-funded or reimbursed interstate travel by board members, administrators, teachers and other employees for the purpose of professional seminars and meetings; buying products, goods and services that originate outside the state of Texas; and, the receipt and related spending of funding from a federal government source, including: direct and indirect funding for educational purposes and for materials and goods related to the educational process; foodstuffs and other agricultural products; and, monies used to make its buildings compliant with federal legislation known as the Americans with Disabilities Act of 1990, particularly in order to meet the needs of handicapped students. All such federal-source funding was provided for use in the transportation, education and nutrition programs and services of its students. PSJA-ISD also used investment firms engaged in interstate commerce to underwrite, market and sell bonds, through the standard market for such bonds, largely involving interstate sales, which funds derived from the sales were used to finance construction projects over a several year period.

2. PSJA-ISD received several million dollars in federal funds in support of a number of student related programs for school years 2001-2002, continuing up to the date of the return of this Indictment. The United States Department of Education was the source of much of this funding during these years, through programs, grants and awards coordinated by and through the Texas Education Agency.

3. School Construction Bond Issues: In 1997, the voters of PSJA-ISD approved the issuance of school construction bonds in the approximate amount of \$49,700,000. This money was ultimately utilized for various school construction projects beginning in 1998 and continuing up to and including 2000. In 1999, the voters of PSJA-ISD approved the issuance of school construction bonds in the approximate amount of \$54,000,000. As stated in paragraph 1 above, these bonds were sold in interstate commerce in the common market for such investments. The money derived from the sale of these bonds was then utilized for various school construction projects beginning in 2000 and continuing up to at least 2004.

#### **PUBLIC OFFICIAL DEFENDANTS**

4. **ROGELIO RODRIGUEZ:** was commonly referred to as ROY RODRIGUEZ, and at times was known as “LITTLE ROY”. RODRIGUEZ claimed his outside employment to be in private business as an independent land developer. He served as an elected member of the PSJA-ISD Board of trustees since 1996. As

an elected trustee, RODRIGUEZ was sworn to faithfully execute the duties of his office and to preserve, protect, and defend the Constitution and laws of the United States and of the State of Texas. Texas law mandated that the board of trustees and the superintendent of the district contribute to the operation of the district in a manner consistent with applicable laws and regulations. ROY RODRIGUEZ was often in the majority bloc of trustees that could control the business and other affairs of PSJA-ISD, particularly including the hiring of professionals, such as architects and attorneys, and the letting of contracts, including large-dollar contracts for the construction, or rebuilding, of school buildings. ROY RODRIGUEZ previously was employed at First National Bank of Pharr, Texas.

5. **RAUL NAVARRO:** was commonly referred to as ROY NAVARRO, and at times was known as "BIG ROY." ROY NAVARRO was employed as the Executive Director of the Pharr Housing Authority (PHA) in Pharr, Texas, and served as a member of the PSJA-ISD board of trustees since 1995. As an elected trustee, NAVARRO was sworn to faithfully execute the duties of his office and to preserve, protect, and defend the Constitution and laws of the United States and of the State of Texas. ROY NAVARRO was often in the majority bloc of trustees that could control the business and other affairs of PSJA-ISD, particularly including the hiring of

professionals, such as architects and attorneys, and the letting of contracts, including large-dollar contracts for the construction, or rebuilding, of school buildings.

6. **EVANGELINA DE LEON:** commonly referred to as VANGIE DE LEON. VANGIE DE LEON served as a member of the PSJA-ISD board of trustees since 2002. As an elected trustee, VANGIE DE LEON was sworn to faithfully execute the duties of her office and to preserve, protect, and defend the Constitution and laws of the United States and of the State of Texas. VANGIE DE LEON was often in the majority bloc of trustees that could control the business and other affairs of PSJA-ISD, particularly including the hiring of professionals, such as architects and attorneys, and the letting of contracts, including large-dollar contracts for the construction, or rebuilding, of school buildings. At times, VANGIE DE LEON used her husband RICHARD DE LEON as an intermediary with various businessmen seeking contracts at PSJA-ISD, including as the recipient of illegal payments from these businessmen.

7. **ARTURO GUAJARDO:** was from at least January 1997 an Assistant Superintendent at PSJA-ISD, later promoted to Deputy Superintendent. The board of trustees of PSJA-ISD made him the Superintendent for the Pharr San Juan Alamo Independent School District on August 13, 2001. As superintendent, ARTURO

GUAJARDO was responsible for the day-to-day operation of the district, including that the business affairs of the district operated in a lawful manner.

8. **RICHARD DE LEON:** was the husband of PSJA-ISD board member VANGIE DE LEON. RICHARD DE LEON was employed in the insurance business. At times, RICHARD DE LEON helped his wife, VANGIE DE LEON, in her position as an elected trustee of PSJA-ISD by acting as an intermediary with various businessmen seeking contracts at PSJA-ISD, including acting as the recipient of illegal payments from these businessmen and, at times, RICHARD DE LEON joined these businessmen on trips to locations such as Las Vegas that were given illegally to public officials at PSJA-ISD.

### **UNINDICTED PUBLIC OFFICIALS**

For purposes of this Indictment, the following then-public officials, whose identities are known to the grand jury, are not named as defendants herein and will be referenced as follows:

9. **Guadalupe Jaime Santa Maria,** commonly known as Jaime Santa Maria: was an elected trustee of the Pharr-San Juan-Alamo Independent School District School Board of Trustees. Santa Maria, at times, shared in, or otherwise was compensated, with amounts of money and other expensive items, including sporting event tickets, from contractors interested in, or then-involved in contracts with PSJA-

ISD. Santa Maria, at times, met with other board members outside of regularly scheduled meetings for the purpose of discussing upcoming business and votes, including discussions regarding amounts of money, gifts, entertainment and other expensive items given by contractors and potential contractors to ensure that official action would be taken to benefit these contractors in exchange for money and expensive items. Santa Maria followed these discussions by taking votes, and taking other procedural actions, in concert with other public officials named herein, in order to aid the contractors with whom Defendants named herein had been given, or had agreed to accept, money, travel, entertainment and other expensive items.

10. Former Official One: whose identity is known to the grand jury, was a person who was a school board member during pertinent times relevant to the events detailed herein.

11. Former Official Two: whose identity is known to the grand jury, was a person who was a school board member during pertinent times relevant to the events detailed herein.

### **CONTRACTOR DEFENDANTS**

12. **GEORGE ALONZO HERNANDEZ:** was commonly referred to as GEORGE HERNANDEZ. HERNANDEZ was self-employed as the owner of a roofing company, and, at certain relevant times, held himself out as a consultant in

the construction industry. HERNANDEZ was also an elected trustee of the Donna Independent School District, and in that capacity, had taken an oath to faithfully execute the duties of his office and to preserve, protect, and defend the Constitution and laws of the United States and of the State of Texas..

13. **ARNULFO OLIVAREZ:** was commonly referred to as ARNIE OLIVAREZ. OLIVAREZ was self-employed as the owner of an insurance agency known as Insurance Associates of the Valley. At times, OLIVAREZ used other entity names through which to operate, including LDP Leasing. Beginning in at least 1998 and continuing through August 2001, OLIVAREZ was the insurance agent-of-record for the PSJA-ISD. As insurance agent-of-record, OLIVAREZ was responsible for making recommendations regarding the PSJA-ISD health and life insurance coverages, which included the recommendation and selection of large insurance companies represented by OLIVAREZ. For school year 2001-2002, OLIVAREZ was not the agent representative for the district's health insurance provider. In August 2002, a health insurance provider and benefits administrator represented by OLIVAREZ was selected by the PSJA-ISD for the 2002-2003 school year. This contract was renewed by the district for the 2003-2004 school year.



## **UNINDICTED CONTRACTORS**

For purposes of this Indictment, the following Contractors, whose identities are known to the grand jury, are not named as defendants herein and will be referenced as follows:

14. Contractor One: was a person who owned various construction related businesses, including a construction general contractor and a masonry contractor.

15. Contractor Two: was a person who owned various construction related businesses, including a construction general contractor and a roofing contractor.

16. Contractor Three: was a corporation involved in various financial services.

17. Contractor Four: was a person who owned various businesses, including a restaurant, construction general contractor and a masonry contractor.

18. Contractor Five: was a person who owned a business specializing in making changes and modifications in existing public buildings so that these buildings comply with federal law known as the Americans with Disabilities Act.

19. Contractor Six: was a person who owned a professional business and possessed a professional license issued by the state of Texas.

20. Contractor Seven: was an entity located in El Paso, Texas that was engaged in the commercial construction industry, including involvement in

governmental contracting in various locations. At times, officials with this company employed others outside the company to aid in dealing directly with public officials connected to projects this company had in the Rio Grande Valley of Texas.

**COUNT ONE**  
**(Hobbs Act Conspiracy - 18 U.S.C. § 1951)**  
**[ALL DEFENDANTS NAMED HEREIN]**

**INTRODUCTION**

21. The Grand Jury adopts, realleges, and incorporates herein the Introduction Section of this Indictment.

**THE CONSPIRACY**

22. Beginning sometime in 1998, and continuing until on or about sometime in late 2004, in the McAllen Division of the Southern District of Texas, the Defendants named herein did knowingly, combine, conspire, confederate, and agree with each other and with other persons known and unknown to the Grand Jury, to knowingly attempt to obstruct, delay and affect commerce, and to obstruct, delay and affect commerce as that term is defined in *Title 18, United States Code, Section 1951(b)(3)*, by means of extortion, namely that Defendants RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, aided and abetted by RICHARD DE LEON, and GUAJARDO (hereinafter collectively “Public Official Defendants”), obtained payments of money and other items of value that were not due to them or their office,

and to which neither they nor their office were entitled under color of official right, in that these Public Official Defendants obtained payments of money and other items of value, with consent, from individuals and companies doing business with, or seeking to do business with PSJA-ISD, including money and other items of value from Defendants HERNANDEZ and OLIVAREZ (hereinafter collectively “Contractor Defendants”), given by these Contractor Defendants directly and on behalf of others, along with others known and unknown to the Grand Jury, in exchange for the Public Official Defendants using the official capacity of each at PSJA-ISD to perform and agree to perform certain actions for the Contractor Defendants, including the Public Official Defendants taking official actions in school board meetings, including the use of various parliamentary procedures and motions, casting official votes, and performing other administrative actions in aid of procedures related to contracts to-be-let, as well as, to ongoing, awarded contracts by the PSJA-ISD, as follows:

### **Manner and Means of the Conspiracy**

23. The manner and means of the conspiracy included, but were not limited to, the following:

A. It was a part of the conspiracy that the Public Official Defendants, aided and abetted by others, did solicit school district-related contractors and

professionals for things of value, and did voluntarily accept things of value offered by school district-related contractors, including from the Contractor Defendants and others, all in exchange for tacitly and implicitly providing firms and companies connected to the Contractor Defendants, along with others, with advantages not available to other contractors and professionals interested in and competing for school district-related contracts, including taking official actions, often in the form of procedural motions and votes during official PSJA-ISD board meetings, along with other actions taken during the process leading up to the awarding of a contract, and actions taken afterwards, particularly during the payment process for on-going contracts, in order to assist and arrange for the award of, and subsequent payment process related to, school district contracts to certain contractors, including the Contractor Defendants, for certain work and contracts at PSJA-ISD, in exchange for these contractors and professionals paying or providing to the Public Official Defendants cash payments; free and deeply discounted construction services on or for properties owned by the Public Official Defendants; expensive entertainment, meals and travel, including the services of prostitutes, and trips, including flight, hotel, meals and sporting and entertainment tickets to destinations such as South Padre Island, San Antonio, Dallas and Las Vegas, Nevada, and expensive personal items and gifts, including guns and clothing;

B. It was a further part of the conspiracy that the Public Official Defendants did fail to use, and did knowingly subvert, normal PSJA-ISD, Texas Education Agency, and other state-mandated procedures in place for the awarding of school district contracts, including holding informal meetings outside those regularly scheduled by the board of trustees, in order to lobby for and agree on a majority vote of trustees in advance of regularly scheduled meetings, favoring and benefitting certain potential bidders, including the Contractor Defendants, with whom the Public Official Defendants had made an agreement for payment or provision of gifts, services, travel, entertainment and other similar gratuities and in-kind payments and reimbursements;

C. It was a further part of the conspiracy that the Public Official Defendants did agree to share in, obtain for and otherwise exchange benefits to and among each other, and with others, including sharing cash, gifts, services, travel, entertainment and other similar gratuities and in-kind payments and reimbursements provided by the Contractor Defendants, and others;

### **OVERT ACTS**

24. In furtherance of the conspiracy and in order to accomplish its objectives, the following overt acts, were committed in the McAllen Division of the Southern District of Texas and elsewhere:

### Overt Act 1

During the period from June 1998 through March 2004, the Public Official Defendants demanded, sought, received, accepted and agreed to receive and accept things of value, including cash, trips, meals and entertainment, goods and services, for and because of official acts performed and to be performed for the Contractor Defendants.

### Overt Act 2

During the period from June 1998 through March 2004, the Contractor Defendants agreed to provide things of value, including cash, trips, meals and entertainment, goods and services, for and because of official acts performed and to be performed by the Public Official Defendants .

## **OVERT ACTS: OFFICIAL ACTIONS TAKEN**

### Overt Act 3

During the period from June 1998 through March 2004, the Public Official Defendants took official actions in school board meetings, including making and using various parliamentary procedures and motions, casting official votes, and performing other administrative actions in aid of procedures related to ongoing, awarded contracts by the PSJA-ISD, to be performed for the Contractor Defendants, including, among others, the following:

a. on or about April 12, 2001, submission and related vote to approve and award a contract to a company owned by Contractor One as the Construction Management Agent for certain classroom additions.

b. on or about March 28, 2002, submission and related vote to approve and award a contract to a company owned by Contractor One for the management of a project to re-roof certain schools.

c. on or about May 13, 2002, submission and related vote to approve and award a contract to a company owned by Contractor Two for the re-roofing of certain schools.

d. on or about August 19, 2002, submission and related vote to approve and award a contract to a large insurance company, represented by DEFENDANT OLIVAREZ, to be the health insurance carrier for district employees' health coverage.

e. on or about September 9, 2002, submission and related vote to approve and award a contract to a company owned by Contractor One to build softball fields at certain schools.

f. on or about January 13, 2003, submission and related vote to approve method of construction for new administration building and maintenance facility.

g. on or about February 12, 2003, submission and related vote to approve and award a contract to a company owned by Contractor One to make certain modifications at schools and public buildings as required under the federal law known as the Americans with Disabilities Act.

h. on or about February 24, 2003, submission and related vote to award and award a contract to a company owned by Contractor Seven to construct a new maintenance facility.

I. on or about March 3, 2003, submission and related vote to approve and award a contract to a company owned by Contractor One award to construct a new administration building.

j. on or about April 14, 2003, re-submission and related vote to re-award a contract to Contractor Seven to construct a new maintenance facility.

k. on or about May 27, 2003, submission and related vote to approve and award a contract to Contractor Two to re-roof a vocational building at a certain middle school.

l. on or about July 14, 2003, submission and related vote to approve and award a contract to a large insurance company, represented by DEFENDANT OLIVAREZ, to be the health insurance carrier for district employees' health coverage.



m. on or about August 25, 2003, submission and related vote to enter into negotiations with a company owned by Contractor One regarding the contract awarded to construct a new administration building.

n. on or about February 9, 2004, re-submission and related vote to re-award a contract to Contractor One to construct a new administration building.

### **OVERT ACTS: TRIPS/ENTERTAINMENT/SPORTING/OTHER EVENTS**

#### Overt Act 4

From June 21, 2002 up through and including June 23, 2002, Defendants RODRIGUEZ, NAVARRO, and GUAJARDO, traveled to Las Vegas, Nevada with plane tickets, hotel rooms, sporting event tickets, meals and other expenses, including gambling funds, provided by various contractors interested in, or currently involved in, contracts with PSJA-ISD, specifically including Contractor Two.

#### Overt Act 5

From August 8, 2002 up through and including August 11, 2002, Defendants RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, RICHARD DE LEON and GUAJARDO, traveled to Las Vegas, Nevada with plane tickets, hotel rooms, tickets to a Cher concert, meals and other expenses, including gambling funds, provided by various contractors interested in, or currently involved in, contracts with PSJA-ISD, specifically including Contractor Two.

#### Overt Act 6

From September 13, 2002 up through and including September 17, 2002, Defendants RODRIGUEZ, NAVARRO, RICHARD DE LEON and GUAJARDO, traveled to Las Vegas, Nevada with plane tickets, hotel rooms, sporting event tickets, meals and other expenses provided by various contractors interested in, or currently involved in, contracts with PSJA-ISD, specifically including Contractors Two and Three.

#### Overt Act 7

From on or before June 23, 2003 up through and including June 26, 2003, Contractors One and Seven, provided cash and other expenses, including personal gifts, related to an official trip to a seminar held in Phoenix, Arizona and attended by Defendants RODRIGUEZ, NAVARRO, EVANGELINA DE LEON and GUAJARDO.

#### Overt Act 8

From September 12, 2003 up through and including September 16, 2003, Defendants RODRIGUEZ, NAVARRO, GUAJARDO, and HERNANDEZ traveled to Las Vegas, Nevada with plane tickets, hotel rooms, De La Hoya sporting event tickets, meals and other expenses compensated, reimbursed or in some manner

provided by various contractors interested in, or currently involved in, contracts with PSJA-ISD, specifically including Contractors Two and Seven.

#### Overt Act 9

From December 29, 2003 up through and including January 2, 2004, Defendant GUAJARDO traveled to Las Vegas, Nevada with hotel rooms, meals and other expenses provided by Contractor Two, a contractor then-currently involved in contracts with PSJA-ISD.

#### Overt Act 10

From July 4, 2004 up through including July 6, 2004, Defendant NAVARRO traveled to South Padre Island, Texas and used a condominium provided by Defendant OLIVAREZ, a contractor then-currently involved in contracts with PSJA-ISD.

#### Overt Act 11

On or about the dates listed below, among other similar occurrences, were sporting event tickets, including packages of tickets and related hotel rooms, provided by Contractor Seven, a contractor then-currently involved in contracts with PSJA-ISD to various members of the PSJA board and superintendent:

a. on or about May 13, 2003 tickets to a San Antonio Spurs game for Defendants RODRIGUEZ and NAVARRO, and Guadalupe Jaime Santa Maria.

b. on or about July 11, 2003 tickets to a Houston Astros game for Defendant NAVARRO.

c. on or about September 13, 2003 tickets to an Oscar De la Hoya boxing match held at the MGM Grand Hotel and Casino in Las Vegas, NV, at a cost of \$6500, on a trip attended by Defendants RODRIGUEZ , NAVARRO, and GUAJARDO, and others connected to PSJA-ISD.

d. on or about April 3, 2004, a “Final Four” package (tickets and hotel rooms) to the NCAA basketball tournament in San Antonio provided at a cost of over \$14,000 for Defendant RODRIGUEZ and others.

e. on or about July 3 and 4, 2004 tickets to two Houston Astros games for Defendant NAVARRO.

## **OVERT ACTS: CASH/FINANCIAL TRANSACTIONS**

### Overt Act 12

During the period from June 1998 through June 2004, Defendants RODRIGUEZ, NAVARRO, EVANGELINA DE LEON aided by RICHARD DE LEON and GUAJARDO, each accepted amounts of money from various contractors interested in, or currently involved in, on-going PSJA-ISD contracts, including

amounts tendered in cash, in order to share in, obtain for and otherwise exchange benefits to and among each other, and with others, all purposes of furthering the conspiracy, including the following approximate amounts:

- a. From: Contractor Seven, using an intermediary, the approximate amount of \$127,000.00 tendered in certain amounts to DEFENDANT RODRIGUEZ;
- b. From: DEFENDANT OLIVAREZ, various amounts totalling at least the amount of \$2000 tendered to Defendant EVANGELINA DE LEON, and to Guadalupe Jaime Santa Maria, in the approximate amount of \$7000;
- c. From: Contractor One, the approximate amount of \$20,000.00, tendered to Defendants RODRIGUEZ, NAVARRO, EVANGELINA and RICHARD DE LEON;
- d. From: Contractor One, at least the approximate amount of \$300,000.00, tendered to Defendant RODRIGUEZ for further purposes of the conspiracy;
- e. From: Contractor Two, the approximate amount of \$34,000, tendered to Defendants RODRIGUEZ, NAVARRO, EVANGELINA and RICHARD DE LEON;
- f. From: Contractor Two, the approximate amount of \$40,000.00, tendered through Defendant HERNANDEZ as an intermediary to Defendants RODRIGUEZ, NAVARRO, EVANGELINA and RICHARD DE LEON;

g. From: Contractor Six, the approximate amount of at least \$75,000, tendered to Defendants RODRIGUEZ, NAVARRO, and Guadalupe Jaime Santa Maria;

### **OVERT ACTS: CONTRACTOR/CONSTRUCTION SERVICES**

#### Overt Act 13

During the period from June 1998 through March 2004, Defendants RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, often aided by RICHARD DE LEON and GUAJARDO, each accepted construction or other similar services, including professional services materials, labor and installation related to these construction services, from various contractors interested in, or currently involved in, on-going PSJA-ISD contracts.

### **OVERT ACTS: PERSONAL GIFTS AND SERVICES**

#### Overt Act 14

During the period from June 1998 through March 2004, Defendants RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, often aided by RICHARD DE LEON and GUAJARDO, each accepted personal gifts and personal services, from various contractors interested in, or currently involved in, on-going PSJA-ISD contracts, including, among others, the following:

a. DEFENDANTS RODRIGUEZ and GUAJARDO: on or about November 9, 1999, Contractor One purchased hunting rifles at a local sporting goods store DEFENDANTS RODRIGUEZ and GUAJARDO.

b. DEFENDANTS RODRIGUEZ and NAVARRO: on or about June 27, 2003, clothing purchased by an intermediary acting on behalf of Contractor Seven for DEFENDANTS RODRIGUEZ and NAVARRO.

c. DEFENDANTS OLIVAREZ and NAVARRO: on or about December 27, 2003, DEFENDANT OLIVAREZ paid approximately \$4000.00 in expenses for a band to perform at a reception for a relative of DEFENDANT NAVARRO.

In violation of *Title 18, United States Code, Sections 1951 and 2.*

### **COUNTS TWO AND THREE**

**(Hobbs Act Extortion Under Color of Official Right - 18 U.S.C. §§1951 and 2)  
[DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON  
RICHARD DE LEON, GUAJARDO and HERNANDEZ NAMED HEREIN]**

25. The Grand Jury adopts, realleges, and incorporates herein the Introduction Section of this Indictment and Count One, Overt Act 3.

26. From in sometime in 1998, up to and including at least the dates described below, in the Southern District of Texas and elsewhere, namely that DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, aided and abetted by RICHARD DE LEON, and GUAJARDO (hereinafter collectively “Public Official Defendants”), aided and abetted by DEFENDANT HERNANDEZ, as well

as others known and unknown to the Grand Jury, did knowingly attempt to obstruct, delay and affect commerce, and did obstruct, delay and affect commerce as that term is defined in *Title 18, United States Code, Section 1951(b)(3)*, by means of extortion, namely that these Public Official Defendants obtained payments of money and other items of value that were not due to them or their office, and to which neither they nor their office were entitled under color of official right, with consent, from DEFENDANT HERNANDEZ and Contractor Two, who were individuals and companies doing business with, or seeking to do business with PSJA-ISD, including giving money and other items of value as described below, in exchange for the Public Official Defendants using the official capacity of each at PSJA-ISD to provide advantages to DEFENDANT HERNANDEZ and Contractor Two and businesses connected to each, including the Public Official Defendants taking official actions, often in the form of procedural motions and votes during official PSJA-ISD board meetings, along with other actions taken during the process leading up to the awarding of a contract, and actions taken afterwards, particularly during the payment process for on-going contracts, in order to assist and arrange for the award of, and subsequent payment process related to, school district contracts to DEFENDANT HERNANDEZ and Contractor Two and businesses connected to each, all as described below:



COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S) & ITEM(S) PROVIDED
TWO	06/03/2002	Check for \$20,000 from Contractor Two to DEFENDANT HERNANDEZ for further distribution
THREE	08/07/2002	Check for \$20,000 from Contractor Two to DEFENDANT HERNANDEZ for further distribution

In violation of *Title 18, United States Code, Sections 1951 and 2.*

#### **COUNTS FOUR THROUGH EIGHT**

**(Hobbs Act Extortion Under Color of Official Right - 18 U.S.C. §§1951 and 2)  
[DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON  
RICHARD DE LEON, GUAJARDO and HERNANDEZ NAMED HEREIN]**

27. The Grand Jury adopts, realleges, and incorporates herein the Introduction Section of this Indictment and Count One, Overt Act 3.

28. From in sometime in 1998, up to and including at least the dates described below, in the Southern District of Texas and elsewhere, namely that DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, aided and abetted by RICHARD DE LEON, and GUAJARDO (hereinafter collectively "Public Official Defendants"), aided and abetted by DEFENDANT HERNANDEZ, as well as others known and unknown to the Grand Jury, did knowingly attempt to obstruct,

delay and affect commerce, and did obstruct, delay and affect commerce as that term is defined in *Title 18, United States Code, Section 1951(b)(3)*, by means of extortion, namely that these Public Official Defendants obtained payments of money and other items of value that were not due to them or their office, and to which neither they nor their office were entitled under color of official right, with consent, from DEFENDANT HERNANDEZ and Contractor Two, who were individuals and companies doing business with, or seeking to do business with PSJA-ISD, including giving money and other items of value as described below, in exchange for the Public Official Defendants using the official capacity of each at PSJA-ISD to provide advantages to DEFENDANT HERNANDEZ and Contractor Two and businesses connected to each, including the Public Official Defendants taking official actions, often in the form of procedural motions and votes during official PSJA-ISD board meetings, along with other actions taken during the process leading up to the awarding of a contract, and actions taken afterwards, particularly during the payment process for on-going contracts, in order to assist and arrange for the award of, and subsequent payment process related to, school district contracts to DEFENDANT HERNANDEZ and Contractor Two and businesses connected to each, all as described below:

COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S) & ITEM(S) PROVIDED
FOUR	07/07/2003	Cash in the amount of \$2000 from Contractor Two to DEFENDANT RODRIGUEZ
FIVE	07/07/2003	Cash in the amount of \$2000 from Contractor Two to DEFENDANT NAVARRO
SIX	07/23/2003	Cash in the amount of \$2000 from Contractor Two to DEFENDANT RICHARD DE LEON on behalf of DEFENDANT EVANGELINA DE LEON
SEVEN	09/02/2003	Cash in the amount of \$2000 from Contractor Two to DEFENDANT RODRIGUEZ
EIGHT	09/02/2003	Cash in the amount of \$2000 from Contractor Two to DEFENDANT NAVARRO

In violation of *Title 18, United States Code, Sections 1951 and 2.*

**COUNT NINE THROUGH ELEVEN(Hobbs Act Extortion Under Color of Official Right - 18 U.S.C. §§1951 and 2)[DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, RICHARD DE LEON, GUAJARDO and HERNANDEZ NAMED HEREIN]**

29. The Grand Jury adopts, realleges, and incorporates herein the Introduction Section of this Indictment and Count One, Overt Act 3.

30. From in sometime in 1998, up to and including at least the dates described below, in the Southern District of Texas and elsewhere, namely that DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, aided and abetted by RICHARD DE LEON, and GUAJARDO (hereinafter collectively “Public Official Defendants”), aided and abetted by DEFENDANT HERNANDEZ and by others known and unknown to the Grand Jury, did knowingly attempt to obstruct, delay and affect commerce, and did obstruct, delay and affect commerce as that term is defined in *Title 18, United States Code, Section 1951(b)(3)*, by means of extortion, namely that these Public Official Defendants obtained payments of money and other items of value that were not due to them or their office, and to which neither they nor their office were entitled under color of official right, with consent, from the Contractors identified in each count below, being individuals representing companies and companies, doing business with, or seeking to do business with PSJA-ISD, including giving money and other items of value as described below, in exchange for the Public Official Defendants using the official capacity of each at PSJA-ISD to

provide advantages to the below-identified Contractors, including the Public Official Defendants taking official actions, often in the form of procedural motions and votes during official PSJA-ISD board meetings, along with other actions taken during the process leading up to the awarding of a contract, and actions taken afterwards, particularly during the payment process for on-going contracts, in order to assist and arrange for the award of, and subsequent payment process related to, school district contracts to the below-identified Contractors, all as described below:

COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S)/PROVIDER & ITEM(S) PROVIDED
NINE	06/21/2002 Through 06/23/2002	Count One, Overt Act Four Adopted and Realleged Herein
TEN	08/08/2002 Through 08/11/2002	Count One, Overt Act Five Adopted and Realleged Herein
ELEVEN	09/13/2002 Through 09/17/2002	Count One, Overt Act Six Adopted and Realleged Herein

*In violation of Title 18, United States Code, Sections 1951 and 2.*

**COUNT TWELVE THROUGH NINETEEN**  
**(Hobbs Act Extortion Under Color of Official Right - 18 U.S.C. §§1951 and 2)**  
**[DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON,**  
**RICHARD DE LEON, and GUAJARDO NAMED HEREIN]**

31. The Grand Jury adopts, realleges, and incorporates herein the Introduction Section of this Indictment and Count One, Overt Act 3

32. From on or about at least the dates described below, in the Southern District of Texas and elsewhere, namely that DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, aided and abetted by RICHARD DE LEON, and GUAJARDO (hereinafter collectively “Public Official Defendants”), aided and abetted by others known and unknown to the Grand Jury, did knowingly attempt to obstruct, delay and affect commerce, and did obstruct, delay and affect commerce as that term is defined in *Title 18, United States Code, Section 1951(b)(3)*, by means of extortion, namely that these Public Official Defendants obtained payments of money and other items of value that were not due to them or their office, and to which neither they nor their office were entitled under color of official right, with consent, from Contractor Seven, comprised of individuals and a company doing business with, or seeking to do business with PSJA-ISD, including giving money and other items of value as described below, in exchange for the Public Official Defendants using the official capacity of each at PSJA-ISD to provide advantages to Contractor Seven, including the Public Official Defendants taking official actions, often in the form of

procedural motions and votes during official PSJA-ISD board meetings, along with other actions taken during the process leading up to the awarding of a contract, and actions taken afterwards, particularly during the payment process for on-going contracts, in order to assist and arrange for the award of, and subsequent payment process related to, school district contracts to Contractor Seven, all as described below:

COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S)/PROVIDER & ITEM(S) PROVIDED
TWELVE	05/22/2002  through  05/31/2002	Check written from Contractor Seven for \$6250 deposited in the account of an intermediary, then check written by intermediary to to DEFENDANT RODRIGUEZ for \$2000
THIRTEEN	06/17/2002  Through  06/27/2002	Check written from Contractor Seven for \$25,000 deposited in the account of an intermediary, then check written by intermediary to DEFENDANT RODRIGUEZ for \$25,000

COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S)/PROVIDER & ITEM(S) PROVIDED
FOURTEEN	04/29/03  Through  05/05/2003	Check written from Contractor Seven for \$28,500 deposited in the account of an intermediary, then one check written by the intermediary to DEFENDANT RODRIGUEZ for \$25,000 and 2 checks written by the intermediary to a person connected to Guadalupe Jaime Santa Maria totalling \$3500
FIFTEEN	09/12/2003  Through  09/16/2003	Count One, Overt Act Eight Adopted and Realleged Herein



COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S)/PROVIDER & ITEM(S) PROVIDED
SIXTEEN	12/23/2003  Through  12/26/2003	Check written from Contractor Seven for \$5000 deposited in the account of an intermediary, then check written by the intermediary to DEFENDANT RODRIGUEZ for \$5000
SEVENTEEN	08/18/2004  Through  08/25/2004	Check written from Contractor Seven for \$29,500 deposited in the account of an intermediary, then check written by the intermediary to DEFENDANT RODRIGUEZ for \$25,000
EIGHTEEN	09/09/2004  Through  10/18/2004	Check written from Contractor Seven for \$11,233.84 deposited in the account of an intermediary, then check written by the intermediary to DEFENDANT RODRIGUEZ for \$8000

COUNT	DATE(S) OF OFFENSES	CONTRACTOR(S)/PROVIDER & ITEM(S) PROVIDED
NINETEEN	11/09/2004  Through  11/15/2004	Check written from Contractor Seven for \$9000 deposited in the account of an intermediary, then check written by the intermediary to DEFENDANT RODRIGUEZ for \$9000

In violation of *Title 18, United States Code, Sections 1951 and 2.*

**COUNTS TWENTY THROUGH TWENTY TWO  
(Hobbs Act Extortion Under Color of Official Right - 18 U.S.C. §§1951 and 2)  
[DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON,  
RICHARD DE LEON, and GUAJARDO NAMED HEREIN]**

33. The Grand Jury adopts, realleges, and incorporates herein the Introduction Section of this Indictment and Count One, Overt Act 3.

34. From in sometime in 1998, up to and including at least the dates described below, in the Southern District of Texas and elsewhere, namely that DEFENDANTS RODRIGUEZ, NAVARRO, EVANGELINA DE LEON, aided and abetted by RICHARD DE LEON, and GUAJARDO (hereinafter collectively "Public Official Defendants"), aided and abetted by others known and unknown to the Grand Jury, did knowingly attempt to obstruct, delay and affect commerce, and did obstruct, delay and affect commerce as that term is defined in *Title 18, United States Code*,

*Section 1951(b)(3)*, by means of extortion, namely that these Public Official Defendants obtained payments of money and other items of value that were not due to them or their office, and to which neither they nor their office were entitled under color of official right, with consent, from Contractor One, an individual connected to companies doing business with, or seeking to do business with PSJA-ISD, including giving money and other items of value as described below, in exchange for the Public Official Defendants using the official capacity of each at PSJA-ISD to provide advantages to Contractor One and businesses connected to Contractor One, including the Public Official Defendants taking official actions, often in the form of procedural motions and votes during official PSJA-ISD board meetings, along with other actions taken during the process leading up to the awarding of a contract, and actions taken afterwards, particularly during the payment process for on-going contracts, in order to assist and arrange for the award of, and subsequent payment process related to, school district contracts to Contractor One and businesses connected to Contractor One, all as described below:

